

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7085

BILL NUMBER: HB 1197

NOTE PREPARED: Jan 3, 2011

BILL AMENDED:

SUBJECT: Regional sewer districts.

FIRST AUTHOR: Rep. Lehe

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill specifies that territory may be added to a regional water, sewage, or solid waste district (district) if (1) the district's board; or (2) the majority of freeholders within the area proposed to be added; files a petition with the Department of Environmental Management (IDEM). The bill provides that the same procedure must be used to add territory to a district as is provided for the establishment of a district.

If a district changes or readjusts the district's rates and charges, the board of trustees of the district shall mail a notice of the new rates and charges to each user affected by the change or readjustment. This bill also provides that if a sewage district adopts an ordinance increasing the rates and charges by more than 5% per year, the required notice (1) shall be mailed to each affected user not later than seven days after the ordinance is adopted; and (2) must include a statement of a freeholder's right to file a petition objecting to the rates and charges.

Effective Date: Upon passage.

Explanation of State Expenditures: This bill will have no significant impact on IDEM.

Explanation of State Revenues:

Explanation of Local Expenditures: Under certain circumstances, districts must send notices of new rates and charges to each user affected. In some cases, districts must mail a notice to each affected user not later than seven days after the ordinance is adopted. The notice must include a statement of a freeholder's right to file a petition objecting to the rates and charges. These provision will increase administrative expenses

for the districts. However, these increased expenses could be paid for by the adjustment in the rate. The specific impact will vary from district to district and will depend on local action.

Explanation of Local Revenues:

State Agencies Affected: IDEM.

Local Agencies Affected: Regional water, sewage, or solid waste districts.

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.